



JACK DOYLE

MONROE COUNTY EXECUTIVE

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Doyle Announces Property Tax Stability Plan

*Two-year Effort Will Stabilize County Finances Without Raising Property Taxes,
Action Necessary To Protect Local Private Sector Jobs In Light Of Reduced
Revenues, Increased Mandated Costs.*

Monroe County Executive **Jack Doyle** today released a comprehensive two-year Property Tax Stability Plan to address projected shortfalls in the 2002 and 2003 County Budgets. Doyle also outlined the County's Second Quarter Key Budget Indicators report that estimates a 2002 budget gap ranging between \$15-23 million. The County Executive also reiterated that he will deliver a balanced 2003 County Budget that does not raise taxes. It is anticipated that without taking action the County could face a budget shortfall between \$45-65 million at the end of the 2003 fiscal year.

"The size and cost of County government must be reduced to a level that is sustainable for taxpayers and the employers that provide private-sector jobs in our community," said Doyle. "Reduced sales tax revenue and increased local costs for social services programs demand that we reduce expenses in other areas in order to right-size County government and prevent a property tax increase."

Instead of raising property taxes by an estimated 30% to close these projected shortfalls, Doyle will reduce expenditures for all County departments from 2002 adopted budget levels. As part of these efforts, the County will reduce its workforce by 700 positions saving an estimated \$7 million in 2002, and an additional \$35 million in 2003. The workforce reduction will include the abolishment of 277 vacant positions and with the remaining 423 reductions taking place through retirements or layoffs. Currently, 123 employees are projected to retire with an estimated 300 employees scheduled to be laid off. However, additional retirements will reduce the number of layoffs by a corresponding amount. The employees affected by the reduction in the County workforce will be notified beginning August 12.

"I don't relish the fact that we need to make these reductions in the size of county government. However, I cannot ask the taxpayers of this community to continue to fund government operations at the risk of their own family budgets," said Doyle. "When it comes to making these tough choices, I must continue to side with the working families who ultimately pay the bills."

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Doyle also unveiled a series of program reductions across County government that will be included in his 2003 Budget, and will take effect beginning January 1 pending legislative approval. Monroe County parks will be closed on weekdays saving \$2.2 million. Swimming at Ontario Beach Park will be ended saving \$90,000. Funding for the Monroe County Library will also be cut 20% saving nearly \$1.5 million. The Assigned Counsel program will be eliminated saving \$1.1 million. The Youth Bureau and the Office of the Aging budgets will also be reduced by 40% saving over \$700,000. The Tobacco Adolescent Prevention Program, known as GottaQuit.com, will be reduced by 50% saving \$250,000. Funds for the Bureau of Environmental Quality will be cut saving \$607,500. Funding for Monroe Community College and the City School Nurse Program are not part of these cuts and will be preserved in their entirety.

However, Highway maintenance in local towns will be affected. Milling and resurfacing and other projects on County roads done by town crews will be eliminated saving nearly \$1.5 million in 2003.

An overhaul of the delivery of social services programs in Monroe County is also included as part of the Property Tax Stability Plan. The Department of Social Services, working in conjunction with Altreyra Consulting, has drafted a preliminary reform plan that will save a projected \$30 million in 2003. The plan builds upon existing efforts in the Department of Social Services. Certain functions within the Health Department, along with the Departments of Social Services, Mental Health, Aging, and the Youth Bureau will be consolidated.

In addition, the County has also notified contracted agencies of a reduction in their County funding in 2002, resulting in savings of nearly \$1.2 million. It is anticipated that funding to these agencies in 2003 will continue at these reduced levels or be eliminated to save additional tax dollars.

County support for Authorized Agencies will also be targeted for reduction in the 2003 budget. Currently, Monroe County funds arts and cultural organizations with \$2.45 million. Doyle has instructed the County Budget Department to reduce funding to the Museum & Science Center by 50% to \$600,000 and to eliminate \$230,000 of the \$330,000 currently provided to the RPO in 2003. Additionally, all other Authorized Agencies (Memorial Art Gallery, GeVa Theatre, Genesee Country Museum, George Eastman House, WXXI, Garth Fagan Dance, the Mid-Sized Arts Grant Program, Cornell Cooperative Extension, the Humane Society and the Legal Aid Society) will be defunded in 2003 for a total savings of approximately \$1.85 million.

“Difficult times call for difficult decisions and when faced with a choice between ‘nice-to-have’ programs versus ‘need-to-have’ programs we cannot continue to fund these items at the expense of necessities,” said Doyle. “Every family knows that essentials come first and this is the same priority we must set in county government.”

Doyle also announced that comprehensive analysis of fees will also be undertaken as part of 2003 County Budget process.

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Today's announcements build upon preemptive actions taken earlier this year by County Executive Doyle to stabilize County finances, including a hiring freeze, reduction in capital projects and travel expenses, along with an early retirement program and a salary freeze for department heads. It is expected that in 2003 the salary freeze will be expanded to include all Management/Professional employees, saving an additional \$1.4 million.

Doyle Outlines Pressures Affecting The 2002 County Budget

Doyle also outlined the causes of the projected shortfall in the 2002 County Budget. Under the worst-case projections, Monroe County expects nearly \$12 million in revenue will not be realized this year, and that expenses will be over \$11 million more than anticipated. On the expense side, the County will incur over \$10 million in additional costs for mandated public assistance programs in 2002. In addition, roughly \$1 million more will be spent on Sheriff's department overtime.

The aftereffects of September 11th tragedy and the national recession continue to negatively influence county revenues. Sales tax revenue is expected to be nearly \$4 million less than budgeted and lower interest rates will cost the County \$2.1 million in investment income. Reimbursements from the Federal and State governments for expenses related to social services programs are also projected to be \$5.2 million less than budgeted.

"The fact is our local share of the cost for mandated social service programs is unsustainable. In order to protect our local economy, and our emerging high-tech employers that are the future of our community, we must cut costs in other areas," said Doyle. "The alternative is a property tax increase which would decimate our community's ability to create and retain private sector jobs and the paychecks they provide local families."

Other Counties Are Also Facing A Budget Crunch

Counties throughout New York State have faced increased budget pressures due to rising Medicaid costs and/or reduced sales tax revenues. For example, Nassau County is raising property taxes by \$115 million and is reducing its workforce by 1200 positions. In addition, Westchester County has a \$102 million budget gap and is considering a 30% property tax increase. New York City is also facing a severe budget challenge. The City expects an annual budget shortfall of \$5 billion for the next four years.

"Virtually, every county in New York State is facing or will face severe budget shortfalls," said Doyle, who noted that a recent study showed that local governments in New York State are among the largest and most expensive in the nation (see enclosed article), "Clearly, we can't afford the present size of government. I disagree with the idea that the solution is to raise taxes because that will hurt us in the long run by making us less attractive to potential employers and high skilled workers. We are going to have to do more with less and focus our resources on the core responsibilities of County government."

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County Planning Assistance For Displaced Employees

The County will provide outplacement services to former employees, including a career development and resume writing workshop, a Job Fair and financial planning sessions.

“Making the decision to reduce the County workforce was not something I did lightly. I truly appreciate the many years of service these employees have given our County,” said Doyle. “I hope that the programs offered can help them make the transition from the County to other employment.”

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